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SECURITY INFORMATION

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Democratic republic

FD - Abstract

RECEIVED BY: JAMES H. INFORMATION ON THE VHS SCHROTT (20 pp; German; [REDACTED])

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This 20-page [REDACTED] document contains the following:

1. Letter, dated 20 December 1951, from the Main Division for Budgeting of the Ministry of Metallurgy and Ore-Mining's Central Department for General Administration to the Main Department for ~~Expenditure~~ the Budget of the Ministry of Finance. The letter states that the reduction of scrap bonuses from 9 million DM to 5 million DM was too great. Actual scrap bonuses as of the letter date amounted to 5,671,500 DM, to which 145,000 DM must be added required for the remainder of ~~December~~ 1951. Total 1951 scrap bonuses: 5,816,500 DM. The amount of 816,500 DM is to be covered from the reserve for currency payments available to the VHS Schrott (People-Owned Scrap Trading Center).

2. Report, dated 3 January 1952, on the audit of Eisenfels and Berlin inventories of bonus goods and exchange goods available at the VHS Schrott. The report does not include data onuedlinburg.

Figures are given for goods and funds available to the VHS Schrott for this purpose. The audit showed no significant discrepancies. The figures given are analyzed.

3. Note for the record, dated 28 December 1951, on accounting in 1952 for hard-to-salvage and hard-to-process scrap materials under the accounting methods of loss planning.

Main considerations:

- a) It must be possible to measure the profitability of the enterprises.
- b) Costs of the hard-to-salvage and hard-to-process scrap material must be checked constantly to avoid [REDACTED] excessively unprofitable operations.

The terms "hard-to-salvage scrap material" and "hard-to-process scrap material" are defined, and examples are cited to illustrate determination of costs, procedures for an advance cost accounting, applicable bookkeeping instructions, etc.

4. Note for the record, dated 2 January 1952, on the financial plan within the framework of the Economic Plan, with particular reference to the VHS Schrott.

Problems arising through the change-over from planning under the price support method to loss planning are described. The ~~most~~ difficulties in setting up the plans (under the new method) on short notice are expressed.

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[REDACTED] Foreign language document or microfilm of it [REDACTED] is available from GIL Library, [REDACTED]

12 July 1952

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